

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Christian Beni dba Investors Properties, Sales &
Management,

Complainant,

vs.

Avista Utilities,

Defendant.

(ECP)
Case 03-01-040
(Filed January 29, 2003)

**ORDER GRANTING RELIEF IN PART AND
DENYING RELIEF IN PART**

Summary

Christian M. Beni (Complainant) manages rental property in South Lake Tahoe. He objects to Avista Utilities' (Avista) practice of estimating usage when an account is closed. Because Avista does not have a tariff rule that expressly allows it to estimate usage when closing accounts between scheduled meter reading dates, we require Avista to refund \$78.23 to Complainant, the amount in dispute.

Complainant also seeks an order from the Commission requiring Avista to read meters whenever there is a name change on an account, and to never shut-off service when an owner has signed an Owner's Application For Service with the utility. The latter request is denied and this proceeding is closed.

Estimated Bill

Complainant says that Avista improperly estimated his usage when his property was “between tenants” and he is entitled to a refund of \$78.23.

Complainant argues that Avista’s tariff Special Conditions 1 requires the utility to read meters whenever there is a name change. The section states:

“The service establishment charge provided for in this Schedule No. G-260 is in addition to any charges under the applicable schedule. The service establishment charge will be made each time an account is opened, including turn-ons, reconnections of gas service, or changes of names which require meter readings.” (Emphasis added.)

Avista responds that the above tariff section applies to service establishment charges. As allowed under Special Condition 1, Avista only collects a service establishment charge after an account has been opened and a meter reading has been obtained. If the clause “which require meter readings” was not part of Schedule G-260, then Special Condition 1 would require Avista to collect a service establishment charge each time an account was opened or changed (as in a name change). According to Avista, the clause, “which require meter readings,” is included to clarify that it collects a service establishment charge only after an account is opened and after a meter reading is obtained.

Further, Avista says that pursuant to its Rule 9, paragraph 4.a., it regularly estimates bills when there are account name changes between scheduled meter reading dates. The rule states:

4. Estimated Bills

If, because of unusual conditions or for reasons beyond its control, the utility is unable to read the customer’s meter on the scheduled reading date, the utility may bill the customer for estimated consumption during the billing period, and make any necessary corrections when a reading is obtained.

- a. Adjustments for any underestimate or overestimate of a customer's consumption will be reflected on the first regularly scheduled bill rendered and based on an actual reading immediately following the period of inaccessibility. Access to the meter, sufficient to permit its being read, shall be provided by the customer as a prerequisite to the Utility making any adjustment in volumes of gas billed on an estimated basis. (Rule No. 9 para. 4.a., emphasis added.)

According to Avista, estimating bills for accounts closed between scheduled meter reads is considered a reason beyond the utility's control. Thus, Avista believes it may routinely estimate such bills.

We reject Complainant's argument that Special Condition 1 requires the utility to read meters whenever there is a name change. Special Condition 1, simply specifies when a service establishment charge will be collected. However, we also reject Avista's overly broad interpretation of its tariff Rule 9. The rule is intended to apply to situations where the utility is unable to read a meter on the scheduled reading date, for reasons beyond its control *e.g.*, because of a locked gate or snow. It does not apply to situations where the utility is able to read a meter but chooses not to do so because of the additional cost of special readings between scheduled reading dates. That is not a reason "beyond the utility's control."

Because Avista does not have a tariff rule that specifically allows it to estimate bills whenever there is a name change outside scheduled meter reading dates, we will require Avista to credit Complainant \$78.23, the amount in dispute.

Meter Reading Between Scheduled Dates

Complainant requests that Avista be ordered to read meters when there is a name change on an account. Complainant contends that Avista's practice of

reading meters only on scheduled dates and estimating usage between reads when there is a name change on the account, is unfair to the parties involved. According to Complainant, one party may pay too much and the other too little, while the utility gets exactly what it is entitled to receive.

Avista says that estimating bills for closed accounts between scheduled meter reading dates is a generally accepted utility practice. Avista contends that the cost of reading each closed account outside the regular meter reading schedule would result in a rate increase to each customer in the South Lake Tahoe area of approximately \$2.81 annually, based on reading the closed accounts of 40 to 50 customers daily by one full-time employee. Avista points out that it accepts meter readings called-in by a tenant, owner, or property manager.

We reject Complainant's request because all ratepayers should not have to bear the additional cost of special meter readings when accounts are opened or closed between scheduled meter reading dates. However, we suggest that Avista clarify its tariff rules accordingly¹ as its tariff rules do not specifically address this situation.

Never Shut-Off Service

Complainant requests that Avista be ordered to transfer the account to the owner's name, if service is "going out of a tenant's name," if the owner has a "never seal" agreement with the utility. Complainant points out that serious

¹ For example, Pacific Gas and Electric Company's (PG&E) tariff rules do not require meter reads on the same date service is requested. PG&E prorates the commencing read, as provided in PG&E's Electric Rule 9.B and 9.J. PG&E's tariff rules are available on its web site at www.pge.com.

property damage may occur from frozen pipes if service is shut-off in the middle of winter.

Avista says that when a tenant requests that his/her account be closed, it closes the account on the date specified by the tenant, and if the property owner has signed an Owner's Application For Service the account is transferred to the owner's name and the owner is notified by mail within five working days. However, when a tenant's service is shut-off for non-payment pursuant to Rule 11, the account is not transferred and the owner is not notified. According to Avista, a tenant's account information is confidential and it does not wish to get involved in owner/tenant disputes.

Avista provides owner's with an application form which, in pertinent part, states:

THE OWNER'S APPLICATION FOR SERVICE FORM:

• • •

Owner's request for account transfer. NEVER SEAL
(Emphasis in original.)

The above premises are, or may occasionally be, occupied by tenants who will have gas service in their names.

When such tenants request their accounts be closed you are instead directed to leave the gas service on and transfer the account into my name.

This authorization is to continue until cancelled by me in writing.

Owner

We conclude that the above application form is intended for situations where tenants (in good standing) request that their accounts be closed. As Avista explained, such accounts are routinely transferred to the owner's name.

However, the application form does not address situations where the tenant has *not* requested the account to be closed, or the tenant's account is delinquent and the tenant's service is shut-off for non-payment pursuant to Rule 11.² Therefore, we reject Complainant's argument that pursuant to the above application form, Avista is required to transfer the account to the owner's name whenever service is "going out of the tenant's name."

Further, we agree with Avista that a tenant's account information is confidential. Therefore, we deny Complainant's request that the utility be ordered to transfer the account to the owner's name whenever service is shut-off for nonpayment. However, Avista should clarify its Owner's Application For Service form by deleting the words "Never Seal," and stating in bold type that in the event a tenant's service is shut-off for nonpayment pursuant to Rule 11, the account will not be automatically transferred to the owner's name.

O R D E R

IT IS ORDERED that:

1. The complaint of Christian M. Beni (Complainant) is granted in part and denied in part.
2. Avista Utilities (Avista) shall refund \$78.23 to Complainant. There is no money on deposit with the Commission.
3. Complainant's request that Avista be ordered to read meters whenever there is a name change on an account, and to never shut-off service even if a tenant's account is delinquent, is denied.

² However, the application form does state that the owner's service will be shut-off for

Footnote continued on next page

4. This proceeding is closed.

This order is effective today.

Dated _____, at San Francisco, California.

nonpayment pursuant to Rule 11.